



Consolidated Revenues at Rs. 15,339 million for the quarter, up 35% over previous quarter

Consolidated Audited Financial Results for the Quarter and Half Year ended September 30th, 2010

Rs. In Lakhs					
Particulars	Quarter ended 30th September		Half year ended 30th September		Year ended 31st March
	2010	2009	2010	2009	2010
1 Income from Operations	153390	114180	266758	225480	462540
2 Expenditure					
Personnel Cost	61951	52652	119254	103662	205912
Travelling Expenses	7911	7722	15874	15893	30789
Services rendered by Business Associates & Others	12452	10535	24682	22140	47886
Depreciation	3469	3120	7010	6080	13386
Operating and other expenses	42892	14296	57491	26486	64699
Total	128675	88325	224311	174261	362672
3 Profit from operations before Other Income, Interest and Exceptional Item	24715	25855	42447	51219	99868
4 Other Income	834	2704	3358	91	7537
5 Profit before Interest and Exceptional Item	25549	28559	45805	51310	107405
6 Interest	2699	8162	5335	14140	21841
7 Profit after Interest and before Exceptional Item	22850	20397	40470	37170	85564
8 Exceptional Item	-	-	-	(849)	(849)
9 Profit before tax	22850	20397	40470	36321	84715
10 Provision for taxation	4185	3450	7308	6130	14398
11 Profit after tax before earlier period items and minority interest	18665	16947	33162	30191	70317
12 Earlier period items-Share of profit/(loss) in Associate - Satyam Computer Services Limited					
- Profit after tax and minority interest (excluding exceptional items)	10660	-	10660	-	-
- Exceptional items	(14330)	-	(14330)	-	-
13 Profit before minority interest	14995	16947	29492	30191	70317
14 Minority Interest	72	(50)	15	(130)	(275)
15 Profit after tax	15067	16897	29507	30061	70042
16 Paid-up Equity Share Capital (Face Value of Share Rs. 10)	12572	12199	12572	12199	12232
17 Reserves excluding revaluation reserve					256977
18 Earnings Per Share (Rs.): (Not Annualized) Before Exceptional Item					
- Basic	12.17	13.87	23.83	25.37	58.10
- Diluted	11.57	12.99	22.66	23.75	54.37
19 Earnings Per Share (Rs.): (Not Annualized) After Exceptional Item					
- Basic	12.17	13.87	23.83	24.67	57.41
- Diluted	11.57	12.99	22.66	23.10	53.72
20 Public Shareholding					
- Number of shares	34169990	20563711	34169990	20563711	30766213
- Percentage of shareholding	27.18%	16.86%	27.18%	16.86%	25.15%
21 Promoters and promoter group Shareholding					
a) Pledged/encumbered					
- Number of shares	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
b) Non-encumbered					
- Number of shares	91553901	101424813	91553901	101424813	91553901
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%
- Percentage of shares (as a % of the total share capital of the company)	72.82%	83.14%	72.82%	83.14%	74.85%

Stand-Alone Information (Audited)

Rs. In Lakhs					
Particulars	Quarter ended 30th September		Half year ended 30th September		Year ended 31st March
	2010	2009	2010	2009	2010
1) Revenues	149177	110976	258534	216999	448376
2) Profit before tax and exceptional item	22059	24275	37431	40747	88274
3) Profit after tax before exceptional item	18395	21052	31229	35375	75134
4) Profit after tax and exceptional item	18395	21052	31229	34525	74285

Rs. In Lakhs					
Segmentwise Revenue, Results and Capital Employed					
Particulars	Quarter ended 30th September		Half year ended 30th September		Year ended 31st March
	2010	2009	2010	2009	2010
Segment Revenue					
a) Telecom Service Provider	136912	97789	235873	192928	397408
b) Telecom Equipment Manufacturer	6843	6991	12680	13608	26435
c) BPO	7710	6740	14397	13507	26601
d) Others	1925	2660	3808	5437	12096
Total	153390	114180	266758	225480	462540
Less: Inter Segment Revenue	-	-	-	-	-
Net Sales / Income from operations	153390	114180	266758	225480	462540
Segment Profit before tax, interest and depreciation					
a) Telecom Service Provider	40139	37601	73706	73752	149697
b) Telecom Equipment Manufacturer	2348	2483	4279	4600	8894
c) BPO	3363	3315	6126	6980	12762
d) Others	528	929	1057	1916	4085
Total	46378	44328	85168	87248	175438
Less:					
(i) Interest	2699	8162	5335	14140	21841
(ii) Other un-allocable expenditure Net off un-allocable income	20829	15769	39363	35938	68033
(iii) Exceptional Item	-	-	-	(849)	(849)
Profit before tax	22850	20397	40470	36321	84715

NOTES:

- The quarterly results have been reviewed by the Audit Committee and taken on records by the Board of Directors in its meeting held on 26th October 2010.
- Satyam Computer Services Limited (SCSL), an associate of Tech Mahindra, declared its consolidated audited financial results for the year ended March 31, 2009 & March 31, 2010 on September 29, 2010. As required by AS 23 "Accounting for Investments in associates in Consolidated Financial Statements" the Company has followed Equity Method of Accounting based on the most recent available consolidated financial statements of SCSL i.e. March 31, 2010.

The auditors of SCSL have qualified the auditors' report for the year ended 31st March 2010 expressing their inability to ascertain the effects of a number of items, including initiation of investigations and legal proceedings by various regulators, in respect of financial irregularities under the previous management, on the financial statements of SCSL.

Due to above, the auditors of Tech Mahindra have also qualified their audit report in respect of the post acquisition share of loss of SCSL, the amount of goodwill in the investment value, investment in SCSL and reserves and surplus in the consolidated financial statements of Tech Mahindra.
- During the previous year, a customer has restructured long term contracts with the Company from April 1, 2009 which involves changes in commercial, including rate reduction, and other agreed contract terms. As per the amended contracts the customer has paid the Company restructuring fees of Rs 96819 Lakhs. The services under the restructured contracts would continue to be rendered over the life of the contract. The restructuring fees received would be amortized and recognized as revenue over the term of the contract on a straight line basis. An amount of Rs. 10024 Lakhs has been recognized as revenue for the period from April 01, 2010 to September 30, 2010 and the balance amount of Rs. 66746 Lakhs has been carried forward and disclosed as deferred revenue in the Balance Sheet.
- Operating and other expenses for the quarter and half year ended September 30, 2010 include Rs.26296 Lakhs of hardware and software expenses accounted as finance lease for a customer.
- Information on investor complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended 30th September, 2010

Nature of Investor complaints	Opening Balance	Additions	Disposal	Closing Balance
Allotment/Refund/Transfer/Others	1	95	95	1
- Previous period figures have been regrouped/rearranged wherever necessary.
- The standalone financial results have been made available to the Stock Exchanges where the company's securities are listed and are posted on the company's website www.techmahindra.com.

Notes for Segmental Information:

Primary Segments

The Primary Segment of the Company is business segment by category of customers in the Telecom Service Provider, Telecom Equipment Manufacturer sectors, Business Process Outsourcing and Others.

Segmental Capital Employed

Segregation of assets, liabilities, depreciation and other non-cash expenses into various primary segments has not been done as the assets are used interchangeably between segments. Accordingly no disclosure relating to Segmental assets and liabilities has been made.

Statement of assets and liabilities (Consolidated - Audited)

Rs. In Lakhs		
Particulars	As at September 30	
	2010	2009
Shareholders' funds		
Share capital	12572	12199
Reserves and surplus	296650	219191
Loan Funds	142637	217939
Minority Interest	1373	1247
Deferred Revenue	66746	-
Total	519978	450576
Fixed assets	72036	67942
Investments	297989	301344
Deferred tax assets	3053	2314
Current assets, loans and advances		
Inventories	58	151
Sundry debtors	128062	110964
Cash and bank balances	17662	17482
Loans and advances	80727	36381
Less : Current liabilities and provisions		
Current liabilities	55722	64050
Provisions	23887	21952
Net Current assets	146900	78976
Total	519978	450576

Date : 26th October, 2010

Vineet Nayyar
Vice Chairman & Managing Director